

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Witter Post Office
Witter, AR 72776
(Joy Russell, Petitioner)

Docket No. A2012-14

UNITED STATES POSTAL SERVICE COMMENTS REGARDING APPEAL
(December 12, 2011)

On October 17, 2011, the Postal Regulatory Commission (the “Commission”) received an appeal postmarked October 6, 2011, from postal customer Ms. Joy Russell (“Petitioner”) objecting to the discontinuance of the Post Office at Witter, Arkansas (the “Witter Post Office”).¹ By means of Order No. 915, dated October 20, 2011, the Commission docketed the letter, assigning PRC Docket No. A2012-14 as an appeal pursuant to 39 U.S.C. § 404(d). In accordance with Order No. 915, the administrative record was filed with the Commission on November 1, 2011. Petitioner filed a Participant Statement in support of the petition on November 21, 2011. On December 2, 2011, the Postal Service filed an addendum to the administrative record.

The letter of appeal and Participant Statement raise three issues: (1) the impact on the provision of postal services, (2) the impact upon the Witter community, and (3) the calculation of economic savings expected to result from discontinuing the Witter Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave each of these three issues serious consideration. In addition, consistent with the Postal Service’s statutory

¹ This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

obligations and Commission precedent,² the Postal Service gave consideration to a number of other issues, including the impact upon postal employees.

Accordingly, the determination to discontinue the Witter Post Office should be affirmed.

Background

The Final Determination To Close the Witter, AR Post Office and Continue to Provide Service by Highway Contract Route Service ("Final Determination" or "FD"),³ as well as the administrative record, indicate that the Witter Post Office provides EAS-11 level service to 240 delivery customers, 39 Post Office Box or general delivery customers, and to retail customers from 8:00 a.m. to 4:45 p.m. Monday through Friday, and from 9:00 a.m. to 10:45 a.m. on Saturdays.⁴ The Postmaster of the Witter Post Office retired on May 1, 2009.⁵ Since the Postmaster vacancy arose, a non-career employee was installed as an officer-in-charge ("OIC") to operate the Witter Post Office. The employee serving as the OIC and an additional non-career employee may be separated from the Postal Service, although attempts will be made to reassign them to authorized positions at a nearby facility.⁶ The average number of daily retail window transactions at the Witter Post Office is 3, accounting for 3 minutes of retail workload daily.⁷

² See 39 U.S.C. 404(d)(2)(A).

³ The Final Determination can be found at Item 47 in the administrative record. All citations to the Final Determination will be to "FD at __," rather than to Item 47. The FD page number refers to the pages as marked on the upper right of the document. Other items in the administrative record are referred to as "Item __."

⁴ FD at 2; Item 18, Form 4920 at 1; Item 33, Proposal at 2.

⁵ *Id.*

⁶ FD at 5; Item 33, Proposal at 5.

⁷ FD at 2; Item 33, Proposal at 2.

Revenue for the last three years has declined: \$12,959 in FY 2008; \$9,601 in FY 2009; and \$8,301 in FY 2010.⁸

Upon implementation of the Final Determination, delivery and retail services will be provided by Highway Contract Route Service (“HCR”) administered by the Huntsville Post Office, an EAS-18 level office, located 11.2 miles away, which has 162 unassigned Post Office Boxes.⁹ This service will continue upon implementation of the Final Determination.

The Postal Service followed the proper procedures that led to the posting of the Final Determination. All issues raised by the customers of the Witter Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to all Post Office Box customers of the Witter Post Office.¹⁰ Questionnaires were also available over the counter for retail customers at the Witter Post Office.¹¹ A letter from Postal Operations Program Support, Little Rock, Arkansas, was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Witter Post Office was warranted, and that effective and regular service could be provided through HCR delivery and retail services available at the Huntsville Post Office.¹² The letter invited customers to complete and return a customer questionnaire and to express their

⁸ FD at 4; Item 18, Form 4920; Item 33, Proposal at 5.

⁹ FD at 2; Item 18, Form 4920; Item 33, Proposal at 2.

¹⁰ Item 20, Questionnaire Instruction Letter.

¹¹ *Id.*

¹² Item 21, Cover Letter for Questionnaire.

opinions about the service that they were receiving and the effects of a possible change involving HCR delivery. Eighty-seven customers returned questionnaires, and the Postal Service responded.¹³ In addition, representatives from the Postal Service were available at the Witter Christian Fellowship Church for a community meeting on April 11, 2011, to answer questions and provide information to customers.¹⁴ Forty-two customers attended.¹⁵ Customers received formal notice of the Proposal and Final Determination through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Witter Post Office and the Huntsville Post Office¹⁶ for 60 days beginning June 23, 2011, and ending August 24, 2011.¹⁷

Forty-two customers returned comments in response to the “Invitation for Comments” after the Proposal was posted.¹⁸ The Postal Service addressed those concerns in letters to the customers.¹⁹ The Final Determination was posted at the Witter and Huntsville Post Offices beginning on September 29, 2011 and ending October 31, 2011, as confirmed by the round-dated Final Determination cover sheets that appear in the administrative record as Item 47. In light of a Postmaster vacancy; minimal workload; declining revenue; the variety of delivery

¹³ Item 22, Returned Questionnaires and Postal Service Response Letters; Item 23, Analysis of Questionnaires.

¹⁴ Item 26, Community Meeting Letter.

¹⁵ Item 24, Community Meeting Roster; Item 25, Community Meeting Analysis; Item 52, Memo to Record at 2.

¹⁶ The Huntsville Post Office is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>

¹⁷ Item 31, Instructions to Post Proposal; Item 32, Invitation for Comments; Item 33, Proposal.

¹⁸ Item 34, Comment Form.

¹⁹ Item 38, Proposal Comments and Postal Service Response Letters.

and retail options (including the convenience of rural delivery and retail service); no projected population, residential, commercial, or business growth in the area; minimal impact upon the community; and the expected financial savings, the Postal Service issued the Final Determination. Regular and effective postal services will continue to be provided to the Witter community in a cost-effective manner upon implementation of the final determination.

Analysis

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Witter Post Office on postal services provided to Witter customers. The closing is premised upon providing regular and effective postal services to Witter customers.

Petitioner expressed specific concerns regarding the availability of special postal services, such as Certified Mail, and mail security. These same concerns, in addition to others, were also raised by other Witter customers in response to questionnaires, at the community meeting, and in comments to the proposal.²⁰ These concerns were considered by the Postal Service alongside other issues

²⁰ Item 22, Returned Questionnaires and Postal Service Response Letters; Item 25, Community Meeting Analysis; Item 38, Proposal Comments and Postal Service Response Letters.

pertaining to the impact of closing the Witter Post Office upon the provision of postal services to Witter customers.²¹

Petitioner contends that HCR carrier delivery will cause difficulty for residents who work during the day and are unable to be home to sign for accountable mail, such as Certified Mail. She explains that this problem is highlighted because traveling to the Huntsville Post Office before it closes to receive accountable mail will prove difficult for many in the Witter community. Current Postal Service regulations and standards that apply to accountable mail address Petitioner's concerns.²² If the carrier attempts to deliver accountable mail and the addressee is unable to sign for the letter, the carrier will leave a Form 3849 informing the addressee that the carrier attempted to deliver an accountable letter, but was unable. The form indicates that the letter is available in the local post office to be retrieved by the customer or the addressee may attempt request redelivery.²³ The addressee is give the option to specify the date he or she would like the letter to be delivered, may change the redelivery address to his or her workplace (if the work location is in the same town), or may designate a friend, neighbor or family member to accept the letter and the carrier will deliver the letter to that individual (if the individual is in the same town).²⁴ The original addressee may also receive the letter at the Huntsville Post Office on Saturday during business hours or the addressee's designee may receive the letter at the Huntsville Post Office, Monday through Saturday during business

²¹ FD at 2-5; Item 33, Proposal at 2-5.

²² See Domestic Mail Manual § 508.1.1.7; Postal Operations Manual §§ 812.4, 619.2.

²³ See Form 3849

²⁴ *Id.*

hours.²⁵ In sum, the Postal Service makes available several options for Witter Post Office customers that choose to utilize HCR service and receive accountable mail but are unable to be home during the week to sign for such mail.

Petitioner and the community raised several concerns regarding mail security, including that some mailboxes on the rural routes are not safe for mail delivery because of theft and leaving money in mailboxes for services such as stamp purchases is not safe. The Postal Service explained, however, that customers may place a lock on their mailboxes as long as the mailbox has a slot large enough to accommodate the customer's normal daily volume of mail.²⁶ If the customer chooses to lock the mailbox, the Postal Service will not accept a key for and will not open the customer's mailbox.²⁷ As part of the discontinuance process, a questionnaire was sent to the US Postal Inspection Service concerning mail theft and vandalism in the Witter Post Office area.²⁸ Postal Inspection Service records indicate that there has not been any report of mail theft or vandalism mailboxes in the area.²⁹ Nevertheless, instead of placing money in their mailbox for stamps or special services, customers may place notes in their mailboxes instructing the carriers to sound their horns when they arrive in order to facilitate financial transactions.³⁰ The Postal Service is vigilant

²⁵ *Id.*

²⁶ FD at 3; Item 25, Community Meeting Analysis; Item 33, Proposal at 3.

²⁷ *Id.*

²⁸ FD at 3; Item 14, Inspection Service Vandalism Reports; Item 25, Community Meeting Analysis; Item 33, Proposal at 3.

²⁹ *Id.*

³⁰ *Id.*

to mail theft and vandalism and will provide service to Witter Post Office customers to help ensure mail security.

In addition, the loss of retail services and Post Office Boxes at Witter does not have a large impact on the quality of service provided by the Postal Service. As explained throughout the administrative record, HCR carriers can perform many functions (at the same time that the carrier delivers the mail) that will avert the need to go to any Post Office, Huntsville or otherwise.³¹

Carrier service is especially beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services to roadside mailboxes or cluster box units.³² Customers do not have to make a special trip to the Post Office for service. Stamps by Mail and Money Order Application forms are available for customer convenience, and stamps are also available at many stores and gas stations, online at usps.com, or by calling 1-800-STAMP-24.³³ Customers can also request special services, such as Certified, Registered, or Express Mail, Delivery Confirmation, Signature Confirmation, and COD from the carrier.³⁴

³¹ FD at 2-4 Item 33, Proposal at 2-4.

³² FD at 2-3; Item 22, Returned Questionnaires and Postal Service Response Letters at 1; Item 23, Analysis of Questionnaires at 2; Item 33, Proposal at 2-3; Item 38, Proposal Comments and Postal Service Response Letters at 1.

³³ *Id.*

³⁴ FD at 2; Item 22, Returned Questionnaires and Postal Service Response Letters at 1; Item 23, Analysis of Questionnaires; Item 33, Proposal at 2; Item 38, Proposal Comments and Postal Service Response Letters at 1; Item 40, Analysis of Comments.

Further, most transactions do not require meeting the carrier at the mailbox.³⁵ Special provisions are made, on request, for hardship cases or special customer needs.³⁶

Upon the implementation of the Final Determination, delivery and retail services will be provided by HCR delivery emanating from the Huntsville Post Office. In addition to HCR delivery, which is the recommended alternate service, customers may also receive postal services, including P.O. Box service, at the Huntsville Post Office, which is located eleven miles away. The window service hours of the Huntsville Post Office are from 8:30 a.m. to 4:30 p.m., Monday through Friday and from 10:00 a.m. to 12:00 p.m. on Saturdays.³⁷ Thus, the Postal Service has properly concluded that all Witter customers will continue to receive regular and effective service via HCR service.

Effect on Community

The Postal Service is obligated to consider the effect of its decision to close the Witter Post Office upon the Witter community.³⁸ While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to discontinue a Post Office.

³⁵ FD at 2-3; Item 22, Returned Questionnaires and Postal Service Response Letters at 1; Item 23, Analysis of Questionnaires; Item 33, Proposal at 2-3; Item 38, Proposal Comments and Postal Service Response Letters at 1; Item 40, Analysis of Comments.

³⁶ *Id.*

³⁷ FD at 2; Item 18, Form 4920; Item 33, Proposal at 2.

³⁸ 39 U.S.C. § 404(d)(2)(A)(i).

Witter is an unincorporated rural community located in Madison County. The community is administered politically by the Madison County Judge's Office. Police protection is provided by the Madison County Sheriff's Department. Fire protection is provided by the Witter Aurora Volunteer Fire Department.³⁹ The questionnaires completed by Witter customers indicate that, the community is comprised of retirees, farmers, and those who commute to work in nearby communities and work in local businesses.⁴⁰ The town has five businesses, and one church.⁴¹

Petitioner raises concerns that the discontinuance of the Witter Post Office will result in a loss of identity for the community. Other community members raised similar concerns during the discontinuance process, and the Postal Service is cognizant of the importance of the Witter Post Office to members of the community and extensively considered those issues, as reflected in the administrative record.⁴²

In response to the concern over community identity, the Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name, and that Witter customers would be able to retain the Witter name and ZIP Code in addresses.⁴³ Additionally, the Postal

³⁹ FD at 4; Item 16, Community Survey Fact Sheet; Item 33, Proposal at 4.

⁴⁰ See *generally* FD at 4; Item 22, Returned Questionnaires and Postal Service Response Letters; Item 33, Proposal at 4.

⁴¹ FD at 4; Item 18, Form 4920; Item 33, Proposal at 4.

⁴² FD, at 4; Item 22, Returned Questionnaires and Postal Service Response Letters at 1; Item 23, Analysis of Questionnaires at 2; Item 25, Community Meeting Analysis; Item 33, Proposal at 4.

⁴³ *Id.*

Service noted that residents may continue to meet informally, socialize, and share information at other businesses, churches, and residences in town.⁴⁴

Nonetheless, the Postal Service determined that its customers could continue to receive effective postal services elsewhere. Communities generally require regular and effective postal services and these will continue to be provided to the Witter community. In addition, the Postal Service has concluded that non-postal services provided by the Witter Post Office can be provided by the Huntsville Post Office.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Witter Post Office on the community served by the Witter Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that HCR service would cost the Postal Service substantially less than maintaining the Witter Post Office and would still provide regular and effective service.⁴⁵ The estimated annual savings associated with discontinuing the Witter Post Office are \$45,599.⁴⁶ There is a possibility that this savings could be reduced slightly if the Postal Service decided to provide Cluster Box Units, at a one time cost of \$2300 for 3 units, or when the current HCR contract expires on March 31, 2012.⁴⁷ Economic factors are one of several

⁴⁴ *Id.*

⁴⁵ FD at 5; Item 21, Cover Letter for Questionnaire; Item 33, Proposal at 5.

⁴⁶ FD at 4; Item 29, Proposal Checklist at 2; Item 33, Proposal at 5.

⁴⁷ Item 52, Memo to Record at 1.

factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record and consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv).⁴⁸

Petitioner questions the Postal Service's calculation of economic savings with respect to the consistency of this discontinuance action with provisions in Title 39 providing that no small Post Office may be closed solely for operating at a deficit. Here, however, a variety of factors inform the decision to discontinue the Witter Post Office, including a Postmaster vacancy; minimal workload; declining revenue; the variety of delivery and retail options (including the convenience of rural delivery and retail service); no projected population, residential, commercial, or business growth in the area; minimal impact upon the community; and the expected financial savings.⁴⁹ Pursuant to 39 U.S.C. § 404(d)(2)(A)(iii), the Postal Service in determining whether to close a Post Office must consider whether such closing is consistent with the policy that the Postal Service provide "a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining." The Postal Service's view is that the "maximum degree" obligation in section 101(b) must be read in the context of related statutory provisions. It is a directive to recognize that special consideration must be given to the greater likelihood of dependence on postal retail facilities for access to postal products and services in rural communities and small towns; however, this concern must

⁴⁸ *Id.*

⁴⁹ FD at 2-5; Item 18, Form 4920; Item 33, Proposal, at 2-5.

be balanced with Congressional mandates that the Postal Service execute its mission efficiently and economically.⁵⁰ In this case, the Postal Service analyzed, among other factors, the Witter Post Office's workload and revenue.⁵¹ The consideration of an office's workload and revenue is not inconsistent with the policies of Title 39, however, because analysis of workload and revenue does not imply that a small Post Office is operating at a deficit. The Postal Service then analyzed whether a maximum degree of effective and regular postal services to the area and community could be provided with rural delivery service in the absence of the Post Office, and the answer was affirmative.⁵²

The Postal Service determined that HCR route service is more cost-effective than maintaining the Witter postal facility and postmaster position.⁵³ The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent.⁵⁴

Effect on Postal Employees

As documented in the record, the impact on postal employees is minimal. The Postmaster retired on May 1, 2009.⁵⁵ A non-career employee was installed as the temporary OIC. The non-career employee serving as the OIC and an additional non-career employee may be separated from the Postal Service,

⁵⁰ See Sections 101(a); 403(a), (b)(1) and (b)(3); 404(d)(2) and 3661(a).

⁵¹ *Id.*

⁵² FD at 5; Item 15, Post Office Fact Sheet; Item 18, Form 4920; Item 33, Proposal at 5.

⁵³ FD at 5; Item 33, Proposal at 5.

⁵⁴ See 39 U.S.C. § 404(d)(2)(A)(iv).

⁵⁵ *Id.*

although attempts will be made to reassign the employees to authorized positions at a nearby facility.⁵⁶ The record shows that no other employee would be affected by this closing.⁵⁷ Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Witter Post Office, consistent with its statutory obligations.⁵⁸

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Witter Post Office on the provision of postal services and on the Witter community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Witter customers.⁵⁹ The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accordance with the policies stated in 39 U.S.C. § 404(d)(2)(A).

⁵⁶ FD at 5; Item 15, Post Office Fact Sheet at 1; Item 33, Proposal at 5.

⁵⁷ *Id.*

⁵⁸ See 39 U.S.C. § 404(d)(2)(A)(ii).

⁵⁹ FD at 2.

Accordingly, the Postal Service respectfully requests that the determination to close the Witter Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

Anthony F. Alverno
Chief Counsel
Global Business & Service Development

Keith C. Nusbaum

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1137
(202) 268-6525; Fax -6187
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